



GRAIN & LIVESTOCK REPORT

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Market Analysis - February 9, 2005Michael Haigh-Assistant ProfessorUniversity of MD Cooperative Extension

All was quiet ahead of the Wednesday USDA report (as is usual) with most activity based on traders squaring up positions ahead of the report. Things were quiet at the U.S. Gulf (although probably not on Bourbon Street with Mardi Gras taking center stage) with basis bids remaining steady. Basis bids for corn were also unchanged and the cash market was as quiet as the futures ahead of the report. When the report finally came out soybeans actually closed the day higher, this, despite an increase in global ending stocks (up to 64.5 million tons from 63 million last month). The support, it is thought, came from strong basis bids at the Gulf and across the U.S. interior. The Brazilian crop was also reduced (which helped the support) and short covering pulled the prices up. The funds have, apparently little reason to add to their short positions and with an estimated 28% of the market, if they switch direction, prices might jump up. Corn also managed to seek out a gain today after the report came out despite the U. S ending stocks rising to 2.01 billion bushels and global stocks going up to 117.3 million metric tons. This market does not have strong basis numbers to keep it up high like the bean market, but like the bean market, the funds are a dominant short position holder (18% of the Open Interest) and they too could offload and switch direction at any moment. Wheat was the only one to spoil the party closing lower despite a bullish decrease of 25 million bushels in ending stocks (someone studying government report and price movements would be very confused this month). The wheat market was not helped by an increase in export projections – the bears had their minds made up. These traders need to see more and more exports in this market to change their minds and go long. With the dollar staying very low in worth – exports will not get help from that critical fundamental.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Mar05)	NEW(Dec05)	CASH (Mar05)	NEW(Nov05)	CASH(Mar	NEW(Jul05)
Western MD						
Central MD						
Southern MD						
Upper E. Sh						
Lower E. Sh						

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

THE CROP WEATHER WILL RESUME IN APRIL 2005

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	2/01	2/08	2/01	2/08	2/01	2/08	2/01	2/08
Western Md	2.10	2.20	4.58	4.71	2.95	2.95	1.83	1.83
Central MD	2.11	2.14	4.79	4.79	3.04	3.22	2.25	2.20
Southern MD	2.07	2.05	4.87	4.84	2.62	2.62	----	----
Upper E. Shore	2.21	2.18	5.00	4.97	-----	----	----	----
Lower E. Shore	2.25	2.23	5.10	5.09	2.79	2.79	1.85	1.85
Soybean Meal Lower Eastern Shore Dealer's Average Cash quotes (\$/ton)								
Date	2/01	2/08	Date		2/01	2/08		
48% Soybean Meal	193.00	190.50	44% Soybean Meal		181.00	178.50		
FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	2/01	2/08	2/01	2/08	2/01	2/08	2/01	2/08
Western Md	----	----	----	----	----	----	----	----
Central MD	2.31	2.30	4.86	4.83	3.02	2.93	----	----
Southern MD	2.19	2.17	4.92	4.87	2.77	2.75	1.65	1.60
Upper E Shore	2.32	2.30	5.02	4.97	2.81	2.79	1.65	1.60
Lower E Shore	2.41	2.39	5.11	5.06	2.82	2.80	1.70	1.61
GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Feb 08, 2005								
Corn		Soybeans		Wheat		Soybean Meal ¹		
05Mar	194.60	05Mar	503.40	05May	300.40	05Mar	150.50	
05May	202.60	05May	506.40			05May	150.80	
05Jul	209.60	05Jul	510.60			05Jul	153.10	
05Sep	217.60	05Aug	512.40			05Aug	154.50	
05Dec	227.20	05Sep	514.20			05Sep	155.70	
		05Nov	522.20			05Oct	156.60	

¹ \$/ton

HAY AND STRAW									
New Holland, PA - \$/ton - Feb 07, 2005 - 182 Loads									
Alfalfa 42.00-210.00		Mixed Hay 42.00-200.00		Timothy 50.00-195.00		Orchardgrass 70.00-140.00		Straw 112.00-170.00	
Westminister, MD - \$/bale - Feb 08, 2005 - 270 Lots									
Alfalfa 1.00-3.60		Alfalfa Mix 2.80-6.30		Timothy 1.00-3.00		Timothy Mix 1.00-1.90		Grass Mix 1.00-5.10	
								Straw 1.25-3.50	
								Mulch .10-.80	
Southern, MD - Regional Farmers' Market - \$/bale - Feb 05, 2005									
Product		Lo/Hi		Avg Price		Product		Lo/Hi	
Alfalfa		3.00-4.20		3.80		Horse Feed		3.75-3.75	
Lespedeza		3.75-7.60		4.86		Mixed Grass		2.00-4.10	
Orchard Grass		3.00-4.40		3.67		Orchard Grass Mixed		2.50-4.60	
Straw		2.60-2.90		2.73		Timothy		1.75-4.00	
Timothy Mixed		4.00-5.10		4.37					
POULTRY (Grade A) - Week Ending - Feb 12, 2005									
				Current Week		Week Ago		Month Ago	
NY Wtd Avg. (Fryers)				69.68		70.74		69.22	
12 City Composite				71.37		71.50		69.98	
LAMBS - Westminster, MD - \$/cwt - Feb 08, 2005									
Lambs		20- 50 lbs		137.50-152.50		Sheep			
		90-100 lbs		127.50-142.50		All weights		56.00-80.00	
TERMINAL MARKETS HOGS - Feb 08, 2005					DIRECT MARKET HOGS - Westminster, MD - Feb 08, 2004				
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		Butcher Hogs		215- 260 lbs	
a.m.		Base 185 lb Hog		300-449 lbs				Up to 54.50	
								Up to 400 lbs	
Iowa, Minn		59.50-68.00		36.00-51.20				Up to 53.50	
Eastern Cornbelt		59.00-70.00		N/A		Millsboro, DE Market Hogs - (\$/cwt) -		Next Sale 2/15/05	
FEEDER PIGS - (\$/cwt) -									
Gumboro, DE -					New Holland, PA - Feb 03, 2005				
Head:		Trend:			Head:		Trend:		
		Next Sale 2/15/05					All went to slaughter		
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Feb 08, 2005					HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Feb 08, 2005				
Feb05		92.13		Jun05		82.98		Feb05	
Mar05		91.00		Aug05		80.85		Jun05	
Apr05		88.80		Oct05		82.48		77.83	
								74.53	
								70.45	
STOCKER-FEEDER CATTLE - (\$/cwt)									
Winchester, VA - Feb 07, 2005					Westminster, MD - Feb 08, 2005				
Steers		300-400 lbs		115.00-131.50		Steers (M&L)			
		400-500 lbs		103.00-126.00		Holstein		1200 lbs	
		500-600 lbs		112.00-120.00		Heifers (M&L)		200- 300 lbs	
		600-700 lbs		96.00-105.00				400- 500 lbs	
		700-800 lbs		91.00- 95.00		Hols Bull Calves		90- 100 lbs	
		800-900 lbs		90.50- 94.00		Returned to farm		105- 120 lbs	
Heifers		300-400 lbs		112.00-126.00		Holstein Heifers		#1	
		400-500 lbs		101.00-119.00				#2	
		500-600 lbs		95.00-109.50					
		600-700 lbs		90.00- 96.00					
		700-800 lbs		80.00- 85.00					
Lancaster, New Holland & Vintage - Week Ending - Feb 12, 2005									
Bull, Holstein		90-120 lbs		160.00-192.00		Plainer		90-120 lbs	
Heifers, Hols		90-120 lbs		480.00-595.00		Plainer		90-120 lbs	
SLAUGHTER CATTLE (\$/cwt)									
Westminister, MD - Feb 08, 2005									
Fed Steers					Fed Heifers				
Ch		86.00-92.00			Ch		80.00- 88.50		
LCh		80.50-86.00			Old & Too Fat		55.75-62.50		
Select		71.50-80.00			Calves				
Hols Ch		1550 lbs		76.00-77.00		Veal		186-200 lbs	
Cows					Culls		50.00-100.00		
Utility		40.00-48.00			Week/Rough/Thin		6.00- 50.00		
High Dressing		55.00-62.50							
Canners		49.00-55.00							
Shelly & Slow		39.00-Down							
Lancaster, New Holland & Vintage - Week Ending - Feb 12, 2005									
Steers, Choice 2-3		1105-1495 lbs		86.75-90.00		Steady - \$1 lower			
Heifers, Choice		1050-1295 lbs		84.50-88.00		No Trend			
Cows, Breakers 75-80 pct lean				53.00-57.25		Steady - \$2 lower			
Bulls, YG 1		1110-2245 lbs		62.50-72.50		Steady			

For more information about this report, call 410-841-5740 or write:

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